

The American economy is unlikely to recover fully without fundamental reform of U.S. trade policy, Congresswoman Kaptur told a news conference on Capitol Hill. “Back when America had a positive trade balance, people could find jobs,” Kaptur said. “When we started experiencing massive trade deficits, America’s economy started to deteriorate. Good jobs were lost, our economy began to sputter, and our middle class started to shrink as real wages declined despite rising worker productivity.”

Congresswoman Kaptur made her comments at a news conference called to mark the upcoming ministerial meeting of the World Trade Organization (WTO) in Geneva, Switzerland. Kaptur noted that it was 10 years ago that the Seattle Ministerial meeting resulted in the collapse of the Millennium Round as developing nations rejected proposed WTO expansion and mass protests highlighted the political volatility of the trade issue.

“The deterioration in our nation’s trade accounts parallels the decline in our economy,” Kaptur said. “We have not had balance in our trade accounts since 1973. It is not a coincidence that the rise in the trade deficit mirrors the loss of manufacturing jobs.”

A longtime opponent of corporate managed trade, Congresswoman Kaptur noted that proponents of the North American Free Trade Agreement had promised a jobs boom. Instead, the U.S. has lost thousands of jobs, especially in the manufacturing sector.

“Is it any wonder our nation is paying the price of economic policies that led to the current deep recession?” Kaptur said. “This is the direct result of more than a quarter of a century of outsourcing U.S. jobs to ‘penny-wage’ environments, and of allowing other nations to keep their markets closed through managed trade practices, substandard environmental systems, and many undemocratic political systems able to exploit their workforces for the benefit of a few owners.”

Kaptur noted that the Bush Administration fought tirelessly to expand financial regulation in the ongoing Doha Round of WTO negotiations and called for a new approach to trade policy that puts people first.

“The bedrock principle for any trade policy should be free trade with free people. America’s working families deserve a government that takes their side and fair trade agreements that produce a level playing field,” she said.